

Department of Telecommunications and Energy
First Set of Information Requests

THE BERKSHIRE GAS COMPANY
DTE 02-17

Witness: William Barschdorf

Date Filed: August 7, 2002

Question:

D.T.E. 1-43 Please justify the 20-year period used by the Company to develop the normal design planning standard (see p. 33 of the Company's filing). Indicate why a 25 or 30 year period is not more appropriate. Also, please provide a chart with average monthly temperatures for each heating season for the past 30 and 20 years.

Response: The Company relies on a 20-year period based on the recommendations resulting from its last weather study performed by Management Applications Consulting, Inc. (MAC). MAC concluded that the weather data prior to 1970 was not reliable and should be considered suspect (page 5 of Supplemental Volume II). Additionally, in the Department's Order in 98-99, it referred to the fact that Berkshire developed its normal year standard using 20 years of weather data. The Department then stated on pages 8-9 of the Order that:

The Department has previously accepted the use of the arithmetic average of historical degree day data to establish a normal year standard. Because Berkshire bases its normal year standard on an historical average of the up-to-date weather data base and its planning standards on this data base, the Department finds that Berkshire's method for determining its normal year standards is reviewable, appropriate, and reliable.

For all these reasons, the Company determined that it remained reasonable to rely upon a 20-year period to develop the normal design planning standard.

Please see the chart attached which summarizes the average monthly temperatures for each heating season for the past 30 and 20 years.

**Department of Telecommunications and Energy
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY
DTE 02-17**

Witness: Karen Zink
Date Filed: August 7, 2002

Question:
D.T.E. 1-58 Please describe the level of training, technical competence, and industry experience of each Company employee who was directly involved in the formulation of the Company's forecast and supply plan.

Response: The primary individuals responsible for drafting and preparing the Company's forecast and supply plan were William Barschdorf, Supervisor of Gas Supply Planning; Michael Doolan, Manager of Transportation Services; Jennifer Boucher, Rates and Planning Administrator; and, Karen Zink, Vice President. The resumes or biographies of each individual is attached.

**Department of Telecommunications and Energy
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**THE BERKSHIRE GAS COMPANY
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Witness: William Barschdorf

Date Filed: August 7, 2002

Question:

D.T.E. 1-74 Please provide a table that indicates, for each supply resource contract, the elements or conditions that provide for the necessary degree of reliability needed to maintain the Company's supply reliability. Indicate those elements of the contract that provide for supply flexibility.

Response: Please see attached table.

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Witness: William Barschdorf

Date Filed: August 7, 2002

Question:

D.T.E. 1-77 Please explain whether the Company has purchased or released capacity on the secondary capacity market in the past 5 years. In your response, please indicate the amount of capacity and cost involved in each transaction and the reasons for the purchase/release. If the Company did not participate in the secondary capacity market in the past five years, please explain.

Response: The Company released excess capacity from August 1997 through October 1999 (Please see attached table). From November 1999 through March 2000 Berkshire was party to an asset management agreement and therefore did not release capacity. From April 2000 to the present, the Company has been part of an alliance. The alliance arrangement provides for, among other things, the utilization of excess capacity to achieve optimization of the Company's assets.

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Witness: Karen Zink
Date Filed: August 7, 2002

Question:

D.T.E. 1-78 Please discuss the extent to which Berkshire has analyzed the impact of permanent or long-term release of long-haul capacity. Please submit a copy of each analysis and a summary of the results. If the Company has not developed such an analysis, please discuss the reasons for not doing so.

Response: The Company did an extensive analysis of the permanent or long-term release of long-haul capacity prior to entering into its Tennessee contracts in November 1999. Attached are several analyses the Company performed on its own as well as an independent report prepared by Reed Consulting Group which verified the Company's capacity contract decisions.

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**THE BERKSHIRE GAS COMPANY
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Witness: Karen Zink
Date Filed: August 7, 2002

Question:
D.T.E. 1-83 Please provide a list of all firm transportation customers on the Company's system. Please indicate how many of these customers' upstream capacity requirements are provided by the Company, as part of the mandatory capacity assignment.

Response: Please see list attached.

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**THE BERKSHIRE GAS COMPANY
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Witness: William Barschdorf

Date Filed: August 7, 2002

Question:

D.T.E. 1-85 Please refer to pages 74 through 76 of the Company's filing. For each of the storage facilities in Berkshire's portfolio, please provide a narrative of any restrictions (seasonal or otherwise) that affect the level of gas injections or withdrawals.

Response: Please see attached table.

Department of Telecommunications and Energy
First Set of Information Requests

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Witness: Karen Zink
Date Filed: August 7, 2002

Question:

D.T.E. 1-88 Please refer to pages 54 and 55 of the Company's filing. Please provide evidence showing that the Company "sought input from marketers in reaching a determination on the action it should take with regard to certain contracts for which renewal decisions were made in 1999." In your response, please list the marketers that the Company held discussions with regarding the contract renewals, and outline the outcome of those discussions.

Response: Attached please find copies of the letters the Company issued to marketers prior to finalizing its contract decisions. The marketers issued the letters included:

AGF Direct Gas Sales and Services, Inc.
AllEnergy Marketing Company
Conectiv Energy*
Columbia Energy Services
Energy Express, Inc.*
Energy Vison
Enserch Energy Services*
Providence Energy Marketing
Select Energy, Inc.
Texas Ohio Gas

The marketers noted with an * responded to the Company's letters and essentially agreed with its contract decisions. A copy of the marketer responses are attached.

**Department of Telecommunications and Energy
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Witness: Karen Zink
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Question:

D.T.E. 1-100 Please refer to pages 80 through 82 of the Company's filing. Please provide a map of the Company's distribution system indicating the locations of the Company's peaking propane plants.

Response: Please see attached.

**Department of Telecommunications and Energy
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**THE BERKSHIRE GAS COMPANY
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Witness: William Barschdorf

Date Filed: August 7, 2002

Question:

D.T.E. 1-101 Please refer to pages 80 through 82 of the Company's filing. Please provide a table showing actual annual sendout data from each of the Company's propane plants for the last five years and the projected sendout from each propane plant in each of the forecast years.

Response: Please see attached table for historical sendout from each of the propane plants for the past five years. For each of the five forecast years the Company does not project any sendout for the propane plants. However, the plants may be used to maintain the integrity of Berkshire's distribution system.

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**THE BERKSHIRE GAS COMPANY
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Witness: William Barschdorf

Date Filed: August 7, 2002

Question:

D.T.E. 1-106 Please refer to pages 80 through 82 of the Company's filing. Please develop an integrated cost of propane as delivered to the utility pipeline per MMBtu for each of the last five years. With the cost of delivered propane as a base, please provide a chart relating annual average costs of propane expressed as \$/MMBtu to other peaking and storage options for each of the last five years.

Response: Please see attached table and graph.

**Department of Telecommunications and Energy
First Set of Information Requests**

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Witness: Karen Zink
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Question:

D.T.E. 1-107 Please refer to pages 80 through 82 of the Company's filing. Please develop a table(s) and comment on the combined maximum daily delivery rates considering pipeline delivery limits for each city gate station and internally produced gas from propane and LNG that would support each station's service area for each of the forecast years.

Response: Please see attached.

**Department of Telecommunications and Energy
First Set of Information Requests**

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Witness: Karen Zink
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Question:

D.T.E. 1-111 Please refer to page 70 of the Company's filing. Please provide a copy of the analysis submitted in the LNG facility proceeding before the Siting Board and the Department which demonstrates that "there is a need to add the third tank at this time." Please provide all worksheets in support of the analysis.

Response: Please see attached.

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First Set of Information Requests**

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Witness: William Barschdorf

Date Filed: August 7, 2002

Question:

D.T.E. 1-115 Please refer to pages 79 and 80 of the Company's filing. Please explain how often the Company has had to exercise its service option with regard to the Pittsfield Generating (formerly Altresco) resource in the past five years.

Response: Please see table attached.

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Date Filed: August 7, 2002

Question:

D.T.E. 1-131 Please refer to pages 74 through 76 of the Company's filing. Please quantify and explain the differences in the cost of delivered natural gas supplies from the various storage facilities, including the effect of storage losses, for each storage option.

Response: Please see attached table. The variance in the storage price between Northern Storage and Dominion is due to the higher injection costs associated with injecting gas into Dominion. Specifically, the current Dominion storage field fuel loss is 3.22% while Northern Storage is 1.49%. In addition, the current charge per dth to inject or withdraw gas from Dominion is \$.0209 compared to \$.0102 for Northern Storage.

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Witness: William Barschdorf

Date Filed: August 7, 2002

Question:

D.T.E. 1-147 Please revise the G22 series of tables to include for each resource all volumes that will be available to the Company during the forecast period.

Response: Please see revised table attached.

**Department of Telecommunications and Energy
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